Impact of global economic slowdown on the Indian economy

480. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that impact of global economic slowdown is seen in the Indian economy on different sectors;

(b) if so, the details thereof, sector-wise; and

(c) the steps Government is taking in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The global economic slowdown has had an impact on the domestic economy resulting in moderation in the real growth in the Gross Domestic Product in 2008-09 to 7.1 percent from a level of 9 percent in 2007-08. During 2008-09, the Agriculture, Industry and Service sectors are estimated to grow at 2.6 percent, 4.8 percent and 9.6 percent respectively, as against the growth of 4.9 percent, 8.1 percent and 10.9 percent respectively in 2007-08.

(c) The Government and the RBI have acted to protect the economy from the adverse impact of global crisis. The government have taken various fiscal measures which include two packages on 7th December, 2008 and 2nd January, 2009 to stimulate the economy which *inter-alia*, include: reduction in Cenvat/Excise duty, measures to support exports, additional allocation for export incentive schemes, enhancement of duty drawback benefits on certain items, refinance facility for the National Housing Bank and enhancement of the loan limit under Credit Guarantee Scheme. The Reserve Bank of India have adopted measures like reduction in Cash Reserve Ratio, provision of Liquidity Adjustment Facility for banks, reduction in the Statutory Liquidity Ratio, significant reduction in key policy rates like the Repo and the Reverse Repo rate and dollar swap facility for banks.

Educomp under investigation

481. SHRI N.R. GOVINDARAJAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government has seen Media report captioned "After Satyam, Educomp under scanner for fudging accounts";

(b) if so, the details thereof of fudging of accounts by promoters of Educomp;

(c) whether Securities and Exchange Board of India (SEBI) and RBI are investigating the financial irregularities and revenue evasions of Educomp; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (b) Government is aware of Media report captioned "After Satyam, Educomp under scanner for fudging accounts" published in the daily newspaper 'The Pioneer' on January 20, 2009. The media report alleged irregularities in the financial statements of the company.